

1.952 U.S. Federal crop insurance corporation,
L896 ✓ Federal Crop Insurance Corporation
1948 LOSS ADJUSTMENT MANUAL FOR WHEAT AND FLAX
(DOLLAR COVERAGE INSURANCE)

SECTION I - ORGANIZATION

See 1. 15a
N 62

A. General

1. The importance of the loss adjustment phase of crop insurance cannot be over-emphasized. This contact with the insured enables the Corporation to demonstrate how the program works as a means of protection against unavoidable crop failure. Loss adjustment offers the adjuster an excellent opportunity to sell the basic ideas of crop insurance. A thorough explanation of each step in adjusting the loss can result in a better understanding of the contract and avoid misunderstanding which could seriously affect the reaction of the insured to the insurance program in future years.

Adjustment of losses consists of more than simply determining the production and the acreage. All decisions made must be consistent with the provisions of the contract and these instructions. In the case of every loss being adjusted consideration should be given to the question of whether or not the loss resulted from an insurable cause.

Even in connection with determining the amount of production, the mere measuring of stored wheat or flax, and the examination of evidences of sale does not fully establish the production. These are simply pieces of evidence. They represent a minimum - not necessarily the full production. The contract places upon the insured the burden of proof that the loss resulted from an insured cause. The contract places upon the insured the responsibility for proving the amount of loss. It is the adjuster's job to determine from all sources available whether the full production has been reported by the insured. In doing so he should give consideration to general crop conditions in the area and to the production of other farmers in the area and the available evidence as to the condition of the crop on the insurance unit.

All factors entering into the establishment of the amount of loss shall be carefully and impartially considered. There is no place in the adjustment work for bargaining. The adjuster should make his decisions carefully with all the facts in mind and should not attempt to bargain with the insured but should use tact and good judgment in his dealings with the insured.

Accurate and impartial adjustment of losses is essential. The payment of unjust losses under the contract will be at the future expense of all insured farmers in the county through the effect on premium rates.

2. All persons, other than the state director, connected with the loss adjustment work shall refrain from making any statement to the insured or his agent either admitting or denying the liability of the Corporation for any claim made by the insured.

B. State Crop Insurance Director

1. The director is responsible for the supervision and coordination of the adjustment of losses within his area. Where necessary he shall authorize the appointment of adjusters. He shall assist with adjustments as conditions require. He shall be certain that persons engaged in loss adjustment are adequately trained and are thoroughly familiar with the provisions of the contract and these instructions. He shall arrange for spot checking as provided in special instructions.
2. The director through the appropriate state office channel, shall furnish each county committee with the names and addresses of his representatives, to whom notice of damage or probable loss are to be forwarded.

C. District Supervisor

1. The supervisor, if any, shall be in charge of the adjustment of losses within his district. He shall make inspections and adjust losses, where necessary, as assigned by the director. He shall submit progress reports to the director as required. If problems arise which he cannot handle, they should be called promptly to the director's attention.
2. When authorized by the director and as conditions require, the supervisor shall, (1) select and appoint adjusters in order to handle the work promptly and efficiently, (2) adequately instruct and train each adjuster and assist in making the first few inspections and adjustments, (3) not permit adjusters to make inspections or adjust losses involving an insured crop in which the adjuster has a financial or family relationship interest. To protect the interest of the Corporation, the supervisor may find it advisable to limit the activities of the adjuster in certain other cases.

D. Adjusters

1. Adjusters shall be under the immediate supervision of, and directly responsible to, the district supervisor or to the state director, if there is no district supervisor. Any problem which the adjuster cannot handle shall be promptly discussed with the district supervisor or the state director if there is no supervisor.

The adjuster shall:

- a. Be thoroughly familiar with the provisions of the contract (which includes the regulations), the acreage report and the applicable procedures;
- b. Prepare from county office records a list or map showing the names and locations of insured producers in his territory, which will enable him to observe conditions of the insured crops when traveling in the territory;
- c. Where necessary, make inspections, appraisals and reports as soon as possible after the insured has reported damage or a probable loss to the insured crop;

- d. Assist the insured in preparing the Statement in Proof of Loss form, when requested;
- e. Answer questions raised by the insured and attempt to settle any misunderstandings in connection with the contract;
- f. Refer any case to the supervisor or state director where the adjuster is not entirely satisfied that all production has been reported or where he and the insured cannot agree on an appraisal or any other factor affecting the amount of loss. These cases should be accompanied by a full statement of the facts.
- g. Prepare Form FCI-26 in accordance with instructions issued by the state director.

E. County Committee

- 1. The county committee is responsible for transmitting notices of damage or probable loss to the state crop insurance director or such adjusters as may be designated by the director.
- 2. The county committee shall arrange for adjusters to have free access to crop insurance records and related records in the county office and for county office personnel to perform plainmetering and computations of acreages in connection with loss adjustment work when so requested by the adjuster.

SECTION II

NOTICE OF DAMAGE OR PROBABLE LOSS AND PREPARATION OF FORM FCI-8

A. General

- 1. The insured is responsible for notifying the county committee of damage to, or probable loss of, his insured crop. This notice should be given in writing, and placed in the insured's folder for future reference. However, any manner or form of notice is acceptable provided a satisfactory Form 8 can be prepared.
- 2. The county committee upon receipt of such notice from an insured should prepare Form FCI-8 Rev., "Notice to Corporation of Damage or Probable Loss", (herein called Form 8), in accordance with instructions set forth in subsection B below, and also advise the insured that any unharvested acreage of the insured crop should not be put to another use without the written consent of an adjuster.
- 3. The county committee will notify the state crop insurance director (and any other Corporation representative to be notified) of the report of damage or probable loss.
- 4. Where the insured crop has been harvested from the insurance unit all storage receipts, sales records, grain on hand, and an accurate and complete record of the quantity of the insured crop produced on the insurance unit which has been used for seed or feed must be available to the adjuster.

5. When a notice of damage is given at the county office personally or by telephone after threshing, inquiry should be made of the insured to determine whether the threshed production for the insurance unit equals the product of (1) the reported acreage, and (2) the bushel equivalent of the coverage per acre. Where some acreage has been released the applicable coverage and any applicable appraisal should be used in determining total coverage and total production for the seeded acreage.

B. Preparation of Form FCI-8 Revised

1. A separate Form 8 shall be prepared for each insurance unit on which damage or probable loss is reported by the insured. It shall be prepared as follows:

a. Heading. Enter in the spaces provided:

- (1) The name of the crop;
- (2) The name and address of the insured which must agree with that shown on the related crop insurance contract;
- (3) The state and county code and contract number;
- (4) The name of the county;
- (5) In the space provided for farm serial number, enter the insurance unit number, i. e., Unit 1, Unit 2, etc., and
- (6) The contract number of other Federal Crop Insurance contracts covering the same crop on the land in the insurance unit.

b. Data for Numbered Items

Item 1. In the case of Forms 8 prepared prior to harvest, enter the name of each farm in the insurance unit to be inspected and either the location of the farm or the legal description. In addition, enter a notation indicating where the insured may be located and the insured's telephone number if possible.

Item 2. Enter the reported acreage(s) on the insurance unit as shown on the acreage report followed by a dash and the applicable coverage and rate area number. If the acreage report has not been filed make a notation to this effect in item 2.

Item 3. For each acreage in item 2, enter the applicable coverage per acre on a harvested acreage basis.

Item 4. Enter the insured's share(s) in the crop as shown on the acreage report.

Item 5. Enter the date upon which the notice of damage or probable loss is received in the county office.

Item 6. Enter (a) the reported cause(s) of damage to the crop and a description of the result of such damage, and (b) the date of damage(s).

Item 7 and Item 8. These entries are self-explanatory.

Item 9. (a) The person receiving the notice shall initial Form 8. The form shall be signed and dated for the county committee, (b) the insured shall be requested to sign Form 8 in every case where the notice is given in person. Otherwise, a notation shall be entered in this space indicating how the notice was received, i. e., by telephone, (followed by the date of the telephone call), by letter (followed by the date of the letter), by some other person (enter the name of the person giving notice and the date of the notice), etc.

Item 10 and Item 11. These items are self-explanatory.

Item 12. In any case where a part of the acreage is "unclassified" or in "non-insurable" as designated on the County Actuarial Table or (the table of area coverages and premium rates), a notation to this effect shall be entered in Item 12. Any other remarks deemed advisable should be entered.

2. Distribution

Copies of Form 8 shall be distributed as provided in Section VII hereof.

SECTION III

INSPECTION AND PREPARATION OF FORM 863

A. Inspections

1. The adjuster shall prepare a separate Form FCI-863 "Inspection Report" (herein called Form 863) in accordance with subsection B below, for each farm inspected at the time the inspection is made. An inspection shall be made:
 - a. When a request for a release of acreage is received;
 - b. Where a loss is claimed (except as provided in Section V, B, hereof) or where it is determined that the insured is eligible for an indemnity;
 - c. In any case where the Corporation determines that an inspection is necessary.
2. Where Form 8 does not include a request for a release of acreage and the state director or the district supervisor determines that an inspection is not necessary, the insured shall be notified that:
 - a. The notice was received and an inspection is not deemed necessary at that time, including the reason therefor;
 - b. Any later material damage to, or probable loss of, the crop should be reported promptly to the county committee;
 - c. If the insured crop is harvested and a loss occurs, the insured should submit another notice to the county committee. Also in areas where it is the farming practice to plow the stubble under immediately after harvest the insured shall be told that the

stubble should be left intact, where possible, until the insurance unit has been inspected and the acreage of the insured crop is determined by the adjuster.

The notice to the insured shall be prepared in triplicate and shall include the name and address of the insured, the contract number, and a description of the acreage involved. The original of the notice shall be mailed to the insured, a copy shall be forwarded to the state director, and a copy filed in the insured's folder.

3. Where a Form 8 includes a request for a release of acreage or where the person taking action on the case determines that an inspection is otherwise necessary, the inspection shall be made promptly. If "Yes" has been entered in Item 11 of Form 8, or if Item 12 indicates that a part of the farm is designated as "unclassified" or as "non-insurable" on the County Actuarial Table or the Table of Area Coverages and Premium Rates for the county, and in any other cases where the adjuster feels it necessary, he shall contact the county office before making the inspection. In such cases the adjuster shall:
 - a. Thoroughly familiarize himself with all crop insurance material, including correspondence, in the insured's folder which relates to the 1948 crop year in order that he will be able to answer any questions pertaining thereto and in order that he may handle any problem which arises in connection with the inspection;
 - b. Obtain records or data for the insurance unit which would be helpful to him, such as a sketch of the farm or copies of Forms 863 already prepared;
 - c. From information available in the county office, prepare the heading of Form 863 for each farm involved, as provided in subsection B, 1, below.
4. If Form 8 shows or the adjuster finds that the insured has not filed an acreage report and less than 30 days have elapsed after the seeding of the insured crop is generally completed in the county, the adjuster shall obtain an acreage report and prepare an inspection report, and he may release the acreage.
- Where more than 30 days have elapsed after the seeding of the insured crop is generally completed in the county, the adjuster shall not obtain an acreage report but should prepare a statement of facts of the case which shall include the condition of the crop at the time of inspection as well as all other information necessary for the state director to prepare an acreage report if he elects to determine the acreage as insured acreage. This acreage shall not be released by the adjuster until such time as the state director has made his determination.
5. It is essential that the adjuster clearly understands what constitutes an "insurance unit," because losses are adjusted on an insurance unit basis. An insurance unit consists of (a) all of the acreage of the

insured crop in the county in which the insured has 100 percent interest at the time of seeding, or (b) all the acreage of the insured crop in the county which at the time of seeding is operated by the insured as a share tenant and owned by one person, or (c) all of the acreage in the county which at the time of seeding is owned by the insured and rented to one share tenant. For the purpose of determining the land constituting an insurance unit, cash rented land or land rented for a fixed commodity rent shall be considered as being owned by the lessee. All or any part of such land which is designated on the county crop insurance map as "unclassified" or as "non-insurable" shall not constitute an insurance unit or any part thereof.

B. Preparation of Form 863

1. Heading. In the spaces provided:
 - a. Enter the crop year.
 - b. Enter the correct name and address of the insured which should agree with that shown on the related crop insurance contract. If there is any discrepancy it shall be explained in Part III.
 - c. Enter the state and county code and contract number.
 - d. Enter the name and location of the farm on which the inspection is being made.
 - e. Enter the coverage and rate area number(s) for the farm.
 - f. Enter the name of the insured crop.

2. Part I. Fields or Tracts Containing Damaged Acreage

Data for each field or tract containing damaged acreage of the insured crop shall be entered in Part I. The Director may require that data for all fields or tracts be entered in Part I in the case of inspections during the growing season. Where there is insufficient space in Part I to record the necessary data, additional Forms 863 shall be prepared and all such forms shall be identified in the heading as provided above, and also marked "Continuation sheet - Page of pages." All fields or tracts, and the measurements of such fields or tracts, of the insured crop shall be accounted for in the space provided for a sketch map in Part III, unless provided otherwise by the Director.

Column A: Enter the description, location or other identification of each field or tract containing damaged acreage of the insured crop in the case of inspections before harvest. All fields or tracts of the insured crop on the farm shall be identified on Form 863 which is prepared at the time the loss is adjusted.

Column B: Enter the estimated total acreage (or the measured acreage) of the insured crop in each such field or tract. The acreages entered at the time the loss is adjusted must be measured acreages.

Column C: Enter the acreage of the insured crop which is released in each such field or tract. This acreage will not include harvested acreage but on the Form 863 prepared when the loss is adjusted it will include all unharvested acreage not put to another use without the consent of the Corporation. (If no acreage is released enter a "zero.") Estimate this acreage as accurately as possible in the case of releases during the growing season, except that the acreage shall be accurately determined (1) where all of the insured acreage on the insurance unit is being released or (2) where the boundaries of the acreage being released cannot be definitely determined at a later date. Where the acreage being released is only a part of the acreage in a field or tract and the acreage being released is not accurately determined, the location of the acreage released shall be sketched in the space provided in Part III.

The adjuster shall not release any acreage seeded to the insured crop until he determines that:

- (1) The insured crop has been destroyed or substantially destroyed. (The crop is not considered to be substantially destroyed unless it has been so badly damaged that farmers generally in the area where the farm is located and on whose farms similar damage occurred would not further care for the crop or harvest any part thereof); and
- (2) It is too late to reseed land to the insured crop in the area. The question of when it is too late to reseed shall be resolved by determining if producers generally in the area, particularly uninsured producers, are still seeding or reseeding. If this is the case and it is practicable for the insured to reseed, he shall be advised that unless the acreage is reseeded to the insured crop it will not be considered as insured acreage. The insured shall also be advised that no premium will be due and no loss will be payable on any acreage which is not insured acreage. If the winter wheat crop is destroyed after it is too late to reseed to winter wheat and spring wheat is grown in the area, and it is practicable to reseed, the insured will be required to reseed the land to spring wheat if it is to be considered as insured acreage.

Column D: For each acreage released prior to threshing, enter a per acre appraisal of the estimated yield that would be realized if such acreage remained for harvest. In releasing acreage the Corporation is relinquishing its opportunity to determine the actual yield. Therefore, care must be taken by the adjuster in making this appraisal and he must assume that favorable growing conditions will prevail until harvest time. The adjuster shall determine whether any of the damage is due to causes not insured against, and if so, the extent of such damage shall be entered in Part III.

The adjuster shall advise the insured that on any acreage where the crop has been partially destroyed but not released, proper measures must be taken to protect the crop from further damage and to care for and harvest it. The adjuster shall also advise the insured that if acreage seeded to the insured crop is put to another use without the consent of the Corporation, that acreage will be subject to an appraisal of production at least equal to the result obtained by dividing the amount of insurance coverage for such acreage on a harvested acreage basis by \$1.60 in the case of wheat or \$5.75 in the case of flax.

Column E: For each acreage released prior to harvest, enter the production per acre to be counted. This entry shall be the entry in Column D except for the following:

1. For any acreage released for the purpose of seeding to a substitute crop the production per acre to be counted shall be that amount by which the appraisal per acre for such acreage exceeds the number of bushels determined by dividing the coverage per acre (for released acreage seeded to a substitute crop) by \$1.60 for wheat or \$5.75 for flax.
2. For any unharvested acreage released, except that seeded to a substitute crop, the entry in Column E in the case of wheat will be the entry in Column D less 1 bushel, and the entry in Column E in the case of flax will be the entry in Column D less .3 of a bushel.

Column F: Enter the primary insured cause of damage to the insured crop for each field or tract identified in Column A.

Column G: Enter the date of damage to the insured crop in each such field or tract.

Column H: Enter the intended (or actual) use of the acreage released in each field or tract. Example: "Substitute crop" followed by the name of the substitute crop, if known, "summer fallow," "harvested", etc.

Column I: Enter the name of the person other than the insured sharing in the insured crop for each field or tract. If the same person, other than the insured, shares in all such fields or tracts the name of such person need not be entered but once.

Column J: Enter the share in the crop for each person whose name appears in Column I.

Verify the insured's reported share(s) in the crop, as indicated on Form 8. If the share(s) reported by the insured at the time of inspection as his share(s) in the crop at the time of seeding varies from his previous reports, explain such discrepancy in Part III.

3. Part II - Threshed Grain

Part II of Form 863 is to be used only in those cases where there is threshed production on the insurance unit (not including unmerchantable threshed production in the case of wheat) and shall include the shares of all persons in the threshed production of the insured crop on the insurance unit. Routine completion of this Part shall not be considered adequate to determine the quantity of grain threshed. The reasonableness of the reported quantity of threshed grain as related to the acreage should be considered, and, if necessary, other inquiry or search should be made, particularly if the yield appears to be inconsistent with the yield of other comparable farms in the area.

Item 1. Farm Stored Grain: The data for each bin of the insured crop which was produced in the 1948 crop year on the insurance unit shall be recorded in item 1. All dimensions listed must be actual measurements and must be expressed in feet and tenths of feet. The measurements must be inside bin measurements. Data for rectangular bins and round bins may be recorded on the same Form 863.

(Where the gross bushels by weight were determined before the grain was stored in the bin and records of this determination are available and acceptable to the adjuster the manner in which such determination was made shall be entered on one of the lines in Part II and only Columns T, U, and V, need be completed for this grain).

Column K: Enter the bin number, which shall be assigned by the adjuster if the bin is not already numbered.

Column L: Enter the length of the bin. If the bin is round, enter the diameter.

Column M: Enter the width of the bin. If the bin is round, no entry shall be made.

Column N: Enter the depth of the grain in the bin. The grain must be level in the bin before the depth can be measured. If grain from the 1948 crop is stored in a bin which also contains grain from a previous crop, only the depth of grain from the 1948 crop shall be measured.

Column O: Enter the gross cubic feet of the grain which shall be computed by the following applicable method:

Rectangular bins (inside measurements).

Multiply the length by the width by the depth of the grain.

(Columns L x M x N).

Round to the nearest tenth of a foot after each computation.

Round bins (inside measurements).

Multiply the square of the diameter by 0.7854 and multiply the result by the depth of the grain. (Columns L x L x 0.7854 x Column N).

Round to the nearest tenth of a foot after each computation.

Column P: Enter the cubic feet of deduction for space occupied by chutes, vents, studs, cross-ties, etc., if any, which have been included in the overall measurements of the grain. In determining this entry, computations shall be in accordance with the instructions set forth under Column O, above, except that outside measurements shall be used.

Column Q: Enter the result obtained by subtracting the quantity shown in Column P from the quantity shown in Column O.

Column R: Enter the result obtained by multiplying the quantity shown in Column Q by 0.8. Round to the nearest tenth of a bushel.

Column S: The test weight in the case of wheat shall be assumed to be 60 pounds and the test weight in the case of flax shall be assumed to be 56 pounds unless the insured or the adjuster believes that the actual test weight is more or less than that stated, in which case an actual test weight should be obtained.

If the test weight is to be determined, representative samples shall be taken from each bin and the test weight determined. These samples shall be properly designated by the adjuster to correspond with the bin numbers.

Column T: Enter the result obtained by multiplying the entry in Column R by the percentage factor (obtained from the table below) for the test weight as shown in Column S. This entry shall be rounded to the nearest tenth of a bushel.

TABLE OF CORRECTION FACTORS TO CONVERT GROSS BUSHELS BY VOLUME TO GROSS BUSHELS BY WEIGHT

WHEAT AND FLAX

Test Weight (Pounds)	Percentage factor (Wheat)	Percentage factor (Flax)	Test Weight (Pounds)	Percentage factor (Wheat)	Percentage factor (Flax)
65	108	---	50	83	89
64	107	---	49	82	87
63	105	---	48	80	86
62	103	---	47	78	84
61	102	---	46	77	82
60	100	107	45	75	80
59	98	105	44	73	79
58	97	104	43	72	77
57	95	102	42	70	75
56	93	100	41	68	73
55	92	98	40	67	71
54	90	96	39	65	70
53	88	95	38	63	68
52	87	93	37	62	66
51	85	91	35	60	62

Column U: In areas where it is customary to sell the grain on a clean basis and where the coverage and premium rate have been established accordingly, enter the percentage of dockage or foreign material. In the case of wheat, other small grain threshed with the wheat shall not be considered as dockage or foreign material. The percentage of dockage or foreign material shall be determined on the basis of weight (not volume). No entry shall be made in Column U in areas where the grain is sold on a field run basis.

Column V: Multiply the entry in Column T by the entry in Column U, subtract the result thus obtained from the entry in Column T, and enter the remainder in Column V. The result of this computation shall be rounded, and the entry in Column V shall be expressed, to the nearest tenth of a bushel. If there is no entry in Column U, the entry in Column T shall be entered in Column V.

Item 2: Enter the name(s) and address(es) of the elevator(s), warehouse(s), or person(s) with which any grain produced on the insurance unit is stored or to whom it has been sold. Following each name and address, enter in Column V the net bushels of grain stored or sold. This entry shall be expressed to the nearest tenth of a bushel.

Item 3: Enter data for all of the insured crop produced on the insurance unit which is sacked and stored either on or off the farm.

- (a) Enter the total number of sacks of grain.
- (b) Enter the average net weight of grain per sack.
- (c) Enter in Column V the total bushels of sacked grain, expressed to the nearest tenth of a bushel. This entry shall be determined as follows: Multiply the total number of sacks of grain by the net weight of grain per sack, and divide the result by 60 for wheat, 56 for flax. (Item 3, (a) X Item 3(b), : by 60 for wheat, 56 for flax).

Item 4: Enter the number of bushels of grain threshed from the 1948 crop on the insurance unit which has been used for seed, feed, or any other purpose.

Item 5: Enter the number of bushels of grain threshed from the 1948 crop on the insurance unit, which is not otherwise reported in items 1 to 4, inclusive. This entry shall be expressed to the nearest tenth of a bushel.

Piled grain either on or off the farm should be weighed, if possible, the net bushels computed as outlined under item 3, above, and the resulting quantity entered in item 5. If it is not possible to weigh the piled grain, a sketch of each pile showing the proper dimensions and method of computing the net bushels entered in this item, shall be attached to Form 863.

Item 6: Enter the sum of the entries in items 1 to 5, inclusive. This entry shall be rounded to the nearest whole bushel. (The word "quality" on Form 863, Item 6, should be changed to "quantity").

Item 7: Enter the date upon which the threshing or combining of the grain from the insurance unit was completed. If a part of the crop was either threshed or combined a considerable time in advance of the rest of the crop, the date of the completion of both periods of harvest shall be entered.

Verification of Computations: After all of the entries and computations have been made as provided above, they shall be checked for accuracy and for completeness.

4. Part III - Adjuster's Narrative Report

Part III shall be prepared each time an inspection of the insurance unit is made. The director shall outline for the adjuster the information which the director thinks the Corporation will need in the final determination of the loss, if any, and instruct the adjuster to enter in Part III whatever of that information is available.

Also enter in Part III any causes of damage not included in Part I, and the dates thereof. When any damage is due to an uninsured cause, enter a full explanation and set forth the extent of such damage, including the number of acres damaged and the appraised reduction in production per acre due to such damage. A notation describing the condition of all the acreage of the insured crop on the farm which is not accounted for in Part I shall be included in Part III.

Where an inspection is being made during the growing season, the adjuster shall determine whether the number of acres of the insured crop in all fields or tracts on the insurance unit approximates the reported acreage for the entire insurance unit, as shown on Form 8. If, in his opinion, there is a substantial difference between the two figures, an explanation of why such difference exists shall be entered in Part III.

Date and Signature: In the space provided above Part III, the adjuster shall sign Form 863 and enter the date on which the inspection is made. The signature of the insured should also be obtained unless it is impracticable to do so.

Form 863 shall be distributed in accordance with Section VII hereof.

C. Unmerchantable Wheat Production (Applicable only to Wheat)

If the insured claims, and the adjuster finds, that a part or all of his threshed production cannot be sold for milling or feeding purposes, due to causes insured against, the adjuster should then determine the value of the threshed wheat. The value determined shall be divided by \$1.60 to determine the amount of production to be entered in Item 7, Column B of Form 867. A full explanation of this determination shall be entered in Part III of Form 863.

— SECTION IV - ADJUSTMENT OF CLAIMS

A. General

1. The insured shall:

- a. Use Form FCI-867, "Statement in Proof of Loss" (herein called "Form 867") in submitting a claim for loss;
- b. Submit claim for loss within 60 days after the time of loss (In case all of the acreage on the insurance unit is released prior to harvest, the time of loss is the date of the damage resulting in the release. In case the threshing is completed for the insurance unit prior to October 31 of the crop year, the time of loss is the date of completion of threshing. In case threshing is not completed for the insurance unit prior to October 31, this date is the time of loss);
- c. Establish that the amount of any loss for which claim is made has been directly caused by one or more of the hazards insured against by the contract during the term thereof, and that the loss has not arisen from or been caused by, either directly or indirectly, any of the hazards not insured against.

2. The Adjuster:

- a. Shall determine whether an acreage report has been submitted by the insured. If an acreage report has been submitted previously by the insured and no part of the insurance unit on which loss is claimed is listed on the acreage report, a Form 867 shall not be prepared for the unit. Instead the adjuster shall prepare and sign a detailed statement of facts, in triplicate, which shall include (a) all necessary information to establish the amount of loss on the unit and (b) full information concerning any other insurance unit for which no data are listed on the acreage report. The original and one copy of this statement shall be forwarded to the director and the other copy shall be filed in the insured's folder.
- b. Shall not approve a Form 867 until he has (1) inspected all farms included in the insurance unit, (2) determined the acreage seeded to the insured crop on the insurance unit, (3) verified to his satisfaction the production for the insurance unit, and (4) made any necessary appraisals of production per acre.
- c. Shall not approve a Form 867 covering an insurance unit on which any acreage is released until he determines the use made of this acreage.
- d. Shall not approve a Form 867 as long as there is any possibility of threshing any production from the insurance unit at a later date.

B. Method of Preparing Form 867

1. A separate Form 867 shall be prepared for each insurance unit on which a loss is claimed.

Where the insured fails to establish and maintain separate records of production for each insurance unit and all the acreage from which production is commingled is insured, the case shall be handled in accordance with subsection D-4 of this Section. Where the insured fails to establish and maintain separate records of production for "unclassified" (or non-insurable) acreage and for one or more insurance units or parts thereof, the production from the "unclassified" (or non-insurable) acreage may be considered to have been produced on the insurance unit and the loss adjusted in the usual manner.

In the latter case set forth in the above paragraph, if the adjuster feels that the insurance with respect to the insurance unit should be canceled, he shall attach a statement in triplicate setting forth the facts which he feels justify this action and his recommendation. In such case if the contract is canceled the insured may still be required to pay the current premium.

2. The insured and the adjuster certify only to the basic data appearing on Form 867, which include the measured acreages, the insured interest, the total harvested production, the production to be counted and the causes of damage. Therefore, the adjuster shall complete Form 867 only to the extent provided hereinafter.

3. Where it appears that there will be no loss on the insurance unit or where the insured requests advice as to the approximate quantity of indemnity he may expect to receive, the adjuster may perform the necessary computations on a scratch pad, using the instructions on the reverse side of Form 867, and advise the insured accordingly. If there is no loss, the adjuster should explain to the insured why there is no loss.
4. In all cases the insured shall be advised that the required computations will be made by the Corporation and that his copy of Form 867 will be mailed to him after the audit is completed.

C. Preparation of Form 867 for Usual Cases

1. The instructions set forth in this subsection apply in all cases where (a) the same coverage per acre is applicable to the entire insurance unit, and (b) the insured has the same share in all the acreage of the insured crop on the insurance unit, and (c) there has been no transfer of interest in the insured crop on the insurance unit. In all other cases Form 867 shall be prepared in accordance with subsection D of this Section.
2. Form 867 is a Rediform set consisting of an original and three copies, and shall be prepared as follows:
 - a. Heading:
 - (1) Enter either wheat or flax, whichever is applicable.
 - (2) Enter the crop year.
 - (3) Enter the correct name of the insured and his address. The name shall agree with that shown on the contract unless such name is incorrect. However, if the original insured died, etc., after the crop was seeded, the name of his legal representative shall be entered. Where the name entered is that of a legal entity (such as a partnership or Corporation) and the contract was not executed in such capacity, a statement of facts, in triplicate, shall be attached.

If the insured has disappeared or refuses to sign the Form 867 and a collateral assignment is outstanding, the name and address of the assignee may be entered in the spaces provided in the heading for the name and address of the insured. The name of the assignee shall be followed by the word "assignee". In such cases a statement of facts, in triplicate, shall be attached.

- (4) Enter the state and county code and contract number.
- (5) Enter the contract number(s) of other contracts on the same land covering the insured crop.
- (6) Enter the insurance unit number, which must agree with that shown on the acreage report.

3. Boxes

Box A: Enter the reported acreage for the insurance unit as shown on the acreage report.

Box B: Enter the measured acreage seeded for harvest as grain (or seed, in the case of flax) on the insurance unit (excluding any acreage on which the crop is destroyed or substantially destroyed at a time that it could be reseeded to the insured crop and such acreage is not reseeded and excluding also any acreage which the state director determines was seeded too late to expect to produce a normal crop). This acreage shall be accurately determined by the adjuster unless acceptable records of measurement are on file in the county office. All possible use shall be made of permanent field acreages established under other agricultural programs and on file in the county office. Measuring equipment shall be checked for accuracy and corrected, where necessary, prior to its use.

Where applicable, the adjuster shall advise the insured of the following:

- (a) If the measured acreage is less than the reported acreage the loss, if any, will be settled on the basis of the measured acreage and the premium adjusted accordingly;
- (b) If the measured acreage exceeds the reported acreage, the loss which would otherwise be determined will be reduced proportionately;
- (c) Where different premium rates are established for (or the insured has different shares in the crop on) parts of the insurance unit, the branch office may compute the loss on the basis of the ratio of the premium computed for the reported acreage to the premium computed for the measured acreage.

Box C: Enter the coverage and rate area number applicable to the insurance unit as shown on the County Actuarial Table (or Table or Area Coverages and Premium Rates). Where the same coverage per acre applies to all of the acreage of the insured crop on an insurance unit but different premium rates are applicable to parts of this acreage, enter above Box C the acreage in each coverage and rate area followed by a dash and the area number. For example 100 - Area 1 and 60 - Area 2.

Box D: Enter the insured interest in the insured crop on the insurance unit, which shall be the smaller of (1) the reported interest in the crop as shown on the acreage report, or (2) the actual interest in the crop at the beginning of harvest or time of loss, whichever occurs first. This entry shall be shown as a percentage, rounded to the nearest tenth of a percent. Where the insured interest entered in Box D is less than the reported interest shown on the acreage report, a statement of facts explaining the discrepancy shall be prepared, in triplicate, dated and signed by the adjuster and attached.

Box E: Enter \$1.60 for wheat or \$5.75 for flax.

4. Part I. Actual and Appraised Production to be counted for the Insurance Unit

The following important factors shall be kept in mind in preparing Part I:

- (a) All acreage figures shall be shown to the nearest tenth of an acre. All production figures shall be shown to the nearest tenth of a bushel.

(b) The sum of the entries in column A must equal the measured acreage in Box B. Where there is appraised production to be counted for acreage previously entered in Column A, such acreage figure shall be entered to the left of Column A.

Item 1, Column A: Enter the measured acreage which was threshed, including in the case of wheat any acreage from which unmerchantable production is threshed. Any wheat acreage which the insured designated on his acreage report as seeded for purposes other than harvest as grain and from which wheat is threshed shall not be included in this entry but shall be entered to the left of Column A.

Column B: Enter the total production threshed from the acreage shown in Column A and from the acreage, if any, shown to the left of Column A. This entry shall include the entire production threshed from the insurance unit (except any unmerchantable wheat) for all persons who share in the crop as producers. (See Form 863)

Item 2. Columns A and B: Enter in Column A the total measured acreage of the insured crop on the insurance unit which was harvested but not threshed and in Column B enter the appraised production for such acreage. (Column E, Form 863)

Item 3. Columns A and B: Enter in Column A the total measured acreage of the insured crop on the insurance unit which was released and seeded to a substitute crop, and in Column B enter the appraised production to be counted for such acreage. (See Form 863, Column E)

Item 4. Columns A and B: Enter in Column A the measured unharvested acreage released and not seeded to a substitute crop, and in Column B enter the appraised production to be counted for such acreage. (See Form 863, Column E)

Item 5. Columns A and B: Enter in Column A the measured acreage put to other use without the consent of the Corporation, and in Column B enter the appraised production for such acreage which shall not be less than the bushel equivalent of the coverage for such acreage on a harvested acreage basis.

Note: The instructions for Item 5, Column B on the reverse side of Form 867 are incorrect. The appraisal of production for acreage put to other use without the consent of the Corporation shall not be less than the bushel equivalent of the coverage for harvested acreage.

Item 6, Columns A and B: Enter in Column A (or to the left thereof if the acreage has previously been entered in Column A the measured acreage on which production has been reduced solely because of damage due to causes not insured against, and in Column B enter the appraisal by which production on such acreage has been reduced due to such damage. This entry shall not be less than the bushel equivalent of the coverage for such acreage on a harvested acreage basis, minus any production of the insured crop threshed from such acreage.

Item 7. If there is unmerchantable threshed wheat as determined in accordance with Section II C hereof, enter to the left of Column A the notation "unmerchantable threshed wheat," and enter in Column B the appraisal of production for the unmerchantable wheat as determined under Section II C hereof.

Item 7: (When not used for unmerchantable production) Enter to the left of Column A the measured acreage on which the production has been reduced due both to causes insured against and to causes not insured

against, and to the left of the acreage insert the name of the uninsured cause of damage. Enter in Column B the appraisal by which production on the acreage has been reduced solely by causes not insured against.

The causes of loss not insured against include the following (but are not limited to):

- a. Failure to follow recognized good farming practices, which include but not limited to, use of defective or unadapted seed, failure to plant a sufficient quantity of seed, failure to properly prepare the land for seeding or properly to seed, care for or harvest and thresh the insured crop (including unreasonable delay thereof);
- b. Over-pasturage;
- c. Following different fertilizer or farming practices than those considered in establishing the coverage;
- d. Seeding wheat or flax on land which is generally not considered capable of producing a crop comparable to that produced on the land considered in establishing the coverage;
- e. Seeding excessive acreage under abnormal conditions;
- f. Seeding perennial or biennial legumes or perennial grasses with the flax or in the growing flax crop;
- g. Seeding another crop with the wheat or in the growing wheat crop;
- h. Seeding wheat or flax under conditions of immediate hazard;
- i. Inability to obtain labor, seed, fertilizer, machinery, repairs, or insect poison;
- j. Breakdown of machinery, or failure of equipment due to mechanical defects;
- k. Neglect or malfeasance of the insured or any other person in his household or employment connected with the farm as tenant or wage hand;
- l. Domestic animals or poultry; or
- m. Theft.

5. Part IV. Causes of Damage Insured Against

No uninsured cause of damage shall be entered in Part IV. Each insured cause of damage shall be specifically stated, as provided below, and shall be entered on a separate line, unless there are more than three such causes.

Items 16, 17, and 18: Enter the primary (major), secondary, and other contributing insured causes of damage to the crop, together with the approximate date each cause of damage occurred and the estimated percent contribution of each such cause to the total loss on the insurance unit due to causes insured against. The entries in the column headed "Estimated Percent Contribution" should total 100 percent. The various insured causes of damage, which shall be used as a guide for uniformity, are listed below:

Lightning	Hurricane
Drought	Hot Winds (including excessive heat)
Hail	Tornado
Fire	Windstorm
Wild Life (animals or birds)	(Plant Diseases (which could not be
Flood (overflow or backwater)	(Insects prevented by the insured)
Excessive Moisture (rain or seepage)	
Winterkill	
Frost, Freeze, or Snow	Noxious weeds not due to poor farming practices.

If any part of the loss is due to an act of a person(s), the adjuster shall prepare a statement of facts, in triplicate, setting forth the name of the person(s), if possible, and the amount of loss caused by such person(s). This statement shall be dated and signed by the adjuster and attached to Form 867.

6. Part V. Certification

Item 19: By signing Form 867 the insured agrees to the substitution of the Corporation as his attorney to exercise right of recovery against any person(s) for damage to the crop to the extent that payment for loss resulting from such damage is made to the insured by the Corporation. If applicable, the insured shall be advised of this fact and that he is not to make any settlement with, or execute a release to, such person(s).

Enter in the space provided either "yes" or "no" to the question whether a collateral assignment is outstanding. If a Form FCI-20, "Collateral Assignment," approved by the Corporation, is on file in the county office, the word "no" shall not be entered until the adjuster determines that the assignee has released the assignment in writing. Where "yes" is entered, and the insured wants the assignee to be paid separately to the extent of the cash amount of the assignment, a statement to this effect, signed by the insured, must accompany the Form 867. If the statement provides for the issuance of a separate check to the insured and a separate check to the assignee for an amount less than that shown on the assignment, it must also be signed by the assignee. If no such statement is attached, a joint check will be issued.

Wherever possible, the adjuster shall review Form 867 and determine that all necessary entries have been made thereon before it is signed by the insured. After the form is signed by the insured, no person, unless so directed by the insured, has authority to change or enter thereon any basic data.

The insured shall sign and enter the date in the spaces provided in Item 19. Before signing, he should be cautioned that his signature must agree with the name of the heading of Form 867, and where applicable, with his signature on the contract. The signature must actually be affixed by the insured (or other eligible claimant) whose name appears in the heading of Form 867, or by his authorized representative.

Item 20: The adjuster shall not approve the Form 867 until all basic data have been entered thereon and until it has been signed by the insured.

If the signature is affixed in a representative capacity, the adjuster must determine that a power of attorney or other acceptable evidence is on file in the courthouse or the county office authorizing the person to sign in the capacity in which he signs. If, after the insured has signed the Form, the adjuster can certify to the statements in Item 20, he shall sign and date the form in the spaces provided.

Item 21: This item is for the use of the director.

7. Boxes Designated "For Branch Office Use Only"

The adjuster shall make no entries in these boxes, which will be used by the Corporation in notifying state and county offices of changes in the premium for the contract in each case where the measured acreage shown on Form 867 is less than the reported acreage, thus eliminating the preparation of "revised" acreage reports by the Corporation.

D. Preparation of Form 867 for Unusual Cases

1. Where the insured has different shares in parts of the insured crop on the insurance unit.

A separate Form 867 shall be prepared for each acreage of the insured crop on the insurance unit on which the insured has a different share. (For example: If the insured has 75 percent interest in 80 acres of the insured crop and 66.7 percent interest in 120 acres of the insured crop on the same insurance unit, one Form 867 shall be prepared for the 80 acres and another Form 867 shall be prepared for the 120 acres.) The word "Supplemental" shall be entered immediately above the title on each of these forms. After the "Supplemental" forms have been prepared as provided below, the entries thereon shall be summarized and entered on a Form 867 which shall be identified by entering the word "Master" immediately above the title. These "Supplemental" forms and the "Master" form shall be prepared as follows:

a. "Supplemental" forms

(1) Heading

Complete the heading in the usual manner (see subsection C of this section.)

(2) Boxes

Boxes A and B: Enter the reported acreage and the measured acreage respectively, for the part of the insurance unit covered by the "Supplemental" form.

Boxes C and E: Complete these boxes in the usual manner.

Box D: Enter the insured interest in the acreage covered by the "Supplemental" form, determined in accordance with the instruction for Box D in subsection of this section.

(3) Part I

Enter all the data applicable to the acreage covered by the "Supplemental" form. These data shall be entered in accordance with the applicable instructions in subsection C of this section.

(4) No other entries shall be made on the "Supplemental" forms.

(b) "Master" Form

(1) Heading

Complete the heading in the usual manner (see subsection C of this Section.)

(2) Boxes

Boxes A and B: To obtain the entry for each of these Boxes for the "Master" Form, add the entries appearing on the "Supplemental" Forms for that Box and enter the sum thereof on the "Master" Form.

Box D: Enter the word "Varying."

Boxes C and E: Complete these Boxes in the usual manner.

(3) Part I

To obtain each of these items for the "Master" Form, add the entries appearing on the "Supplemental" Forms for that item and enter the sum thereof on the "Master" Form.

(4) Complete the "Master" Form in accordance with the instructions in subsection C of this Section. It will not be necessary for each "Supplemental" Form to be signed by the insured.

2. Where Different Coverages Per Acre Have Been Established For Parts of the Insurance Unit.

A separate Form 867 shall be prepared for the acreage of the insured crop on each part of the insurance unit for which a different coverage per acre has been established. (For example: If a \$5.00 coverage has been established for one tract and a \$4.00 coverage for another tract on the same insurance unit and there is an acreage of the insured crop on each of the tracts, one Form 867 shall be prepared for the acreage on the tract with the \$5.00 coverage and another Form 867 shall be prepared for the acreage on the tract with the \$4.00 coverage. However, if the insured has different shares in parts of the insured

acreage on either tract, a separate Form 867 shall be prepared for each acreage of the insured crop in which the insured has a different share rather than one Form 867 for the tract. The word "Supplemental" shall be written immediately above the title on each of these forms. Likewise "Supplemental" Forms 867 shall be prepared and properly identified where different farming practices are carried out on parts of the insurance unit - such as continuous cropping and summer fallow or irrigation. After the "Supplemental" forms have been prepared as provided below, the entries thereon shall be summarized and entered on a Form 867 which shall be identified by entering the word "Master" immediately above the title. These "Supplemental" Forms and the "Master" Form shall be prepared as follows:

a. "Supplemental" Forms

(1) Heading

Complete the heading in the usual manner (see subsection C of this Section)

(2) Boxes

Boxes A and B: Enter the reported acreage and measured acreage, respectively, for the part of the insurance unit covered by the "Supplemental" Form.

Box C: Enter in the usual manner the coverage and rate area number applicable to the part of the insurance unit covered by the "Supplemental" Form.

Box D: Complete this box in the usual manner, except where paragraph 1 of this subsection is applicable.

Box E: Complete this box in the usual manner.

(3) Part I

Enter all the data applicable to the acreage covered by the "Supplemental" Form. These data shall be entered in accordance with the applicable instructions in subsection C of this Section.

(4) No other entries shall be made on the "Supplemental" Forms.

(b) "Master" Form

(1) Heading

Complete the heading in the usual manner (see subsection C of this Section).

(2) Boxes

Boxes A and B: To obtain the entry for each of these boxes for the "Master" Form, add the entries appearing on the "Supplemental" Forms for that box and enter the sum thereof on the "Master" Form.

Box C: Enter the coverage and rate area numbers for all "Supplemental" Form 867 covered by the "Master" Form 867.

Box D: Complete this box in the usual manner.

(3) Part I

To obtain each of these items for the "Master" form, add the entries appearing on the "Supplemental" Forms for that item and enter the sum thereof on the "Master" Form.

(4) Complete the "Master" Form in accordance with the instructions in subsection C of this Section. It will not be necessary for each "Supplemental" Form to be signed by the insured.

3. Where there has been a transfer of interest in the insured crop on the insurance unit.

The Regulations provide that in the event of a transfer of interest, the Corporation shall not be liable for a greater indemnity than would have been paid had the transfer not taken place.

a. Transfer of all or a part of the insured interest in all of the insured acreage on the insurance unit.

Prepare Form 867 in the usual manner, except that the name of the insured and the insured interest (Box D) shall be determined on the basis of the insured interest of the original insured and the information shown on FCI-21, "Record of Transfer."

b. Transfer of all the insured interest in a part of the insured acreage on the insurance unit.

(1) If neither paragraph 1 nor paragraph 2 of this subsection applies and only one transfer has been made:

(a) Draw a vertical line through the center of Columns A, B, and D.

(b) To the left of the vertical line enter the data for the entire insurance unit.

(c) To the right of the vertical line enter the data for one of the following: (1) if the transferee is submitting the claim, enter the data for the acreage transferred, or (2) if the transferor is submitting the claim, enter the data for the acreage not transferred.

(d) Otherwise prepare the Form 867 in the usual manner.

(2) If neither paragraph 1 nor paragraph 2 of this subsection applies and two or more transfers have been made:

(a) Prepare a Form 867 for each individual (transferor and transferee) who has an insured interest under the contract

at the time of loss. These forms shall be prepared in the usual manner except that the words "Transfer of Interest - data for a part of the insurance unit," shall be entered above the title.

- (b) Prepare a Form 867 covering the entire insurance unit. The words "Transfer of Interest - data for entire insurance unit shall be entered above the title of the form. It should be prepared as if no transfer of interest had taken place and should be completed only through Part I.
- (c) All Forms 867 prepared for the parts of the insurance unit as well as the one prepared for the entire insurance unit shall be submitted together to the Director.

c. Where there is a transfer of part of the insured interest in a part of the insured acreage on the insurance unit, or where there is one or more transfers and paragraph 1 or paragraph 2 of this subsection applies to the original insured.

- (1) Prepare a Form 867 for:
 - (a) The insured acreage on the insurance unit for each individual transferor or transferee (and, where applicable, each acreage of the insured crop on the insurance unit on which each individual has a different share or for which a different coverage per acre has been established).
 - (b) If more than one Form 867 is prepared for the same insured, a "Master" Form 867 shall be prepared consolidating such data.
 - (c) The entire insurance unit as if no transfer has taken place.
- (2) Prepare these Forms 867 in accordance with the instructions contained in paragraph 3b (2), above.

4. Where the insured commingles production from two or more insurance units and fails to maintain separate records of production for each insurance unit and all the acreage from which production is commingled is insured.

- (a) Prepare Form(s) 867 for each insurance unit in accordance with subsection C of this Section or paragraphs 1, 2, or 3 of this subsection, whichever is applicable, except as follows:
 - (1) In addition to any identification of the form as required above, enter the words "Part of a combination" immediately above the title on each of these forms.
 - (2) Enter the word "Commingled" in item 1, Column B, on each of these forms, and where applicable, in item 2 in Column B.
- (b) Prepare a Form 867 consolidating the data for all of the insurance units in accordance with paragraphs 1, 2, or 3 of this subsection, whichever is applicable, except as follows:

- (1) Enter the words "Master - Combination" immediately above the title on this form.
- (2) The insurance unit identification of all farms involved shall be entered in the space provided.
- (3) Delete the word "Reported" over Box A and insert above the deletion the word "Insured."
- (4) Enter in Box A the sum of the insured acreages for all of the insurance units involved. (The insured acreage for each insurance unit is the smaller of the entry in Box A and the entry in Box B on the form prepared for the entire insurance unit.)
- (5) Enter in item 1, Column B, all of the commingled threshed production.
- (6) Enter in item 2, Column B, the appraised production for all of the commingled production which is harvested but not threshed.

E. Other Unusual Cases

If a case arises which because of some special circumstance is meritorious but which is not specifically covered by this procedure or if the application of this procedure results in an undue hardship on the insured, the case should be submitted in accordance with General Procedure 4.

F. Cases Where the Insured and Adjuster Cannot Agree

If the insured and the adjuster cannot agree on the settlement of a loss claim the case shall be referred to the supervisor. If the insured and the supervisor cannot agree, two Forms 867 shall be prepared, one showing the data submitted by the insured and signed only by him, and the other showing the data determined by the supervisor and signed only by him. The supervisor shall submit both forms to the director in accordance with General Procedure 4. If the insured does not file his Form 867 at the same time he shall be advised by the supervisor that such Form 867 must be filed not later than 60 days after time of loss. Every effort should be made to handle these cases as promptly and speedily as possible.

G. Transmitting Forms 867 to the Director

The adjuster shall forward daily to the director all copies of all completed Forms 867. All copies of any statement(s) of facts prepared as provided in this procedure shall be attached to the related Form 867 when it is forwarded to the director.

SECTION V. SUSPENDED, CORRECTED OR DELAYED FORMS

A. Corrected Forms 867

In cases where a Form 867 has been transmitted to the director, and it is necessary to make a material change in the data appearing on such form, a corrected Form 867 shall be prepared and submitted to the director. However, any corrected claim amounting to less than \$5.00 additional indemnity

shall not be submitted as such claim will not be approved. The adjuster shall attach a memorandum in triplicate to the corrected Form 867 fully explaining the reason(s) for such correction(s). The corrected Form 867 shall be plainly marked "corrected" in the heading thereof.

It will not be necessary to prepare a corrected Form 867 if the basic data on the original loss claim is correct and settlement has been made in a lesser amount than the correct indemnity and the insured is requesting the additional amount.

B. Delayed Notice of Loss

The Regulations contain a provision requiring the insured to submit a notice of loss to the county office immediately after the completion of threshing if a loss has been sustained. There is further provision in the Regulations that if notice is not given within 15 days after threshing is completed the Corporation reserves the right to reject any claim for indemnity. This provision is essential in order that inspections may be made while the facts can best be determined.

In making each inspection after the time of loss, the adjuster shall determine the time of loss on the insurance unit as set forth in Section III, B, here-of and compare this date with the date the insured gave notice of the loss at the county office, as shown on Form 8.

- (1) If this notice was given within 15 days after the time of loss the case shall be handled in the usual manner.
- (2) If the notice of loss was given more than 15 days after the time of loss but in sufficient time that a Statement in Proof of Loss could be filed within the 60-day period after the time of loss, the insured shall be informed of the requirement of the Regulations set forth above for giving notice within 15 days after the time of loss. The adjuster shall request the insured to submit along with the Statement in Proof of Loss, if one is filed, a statement showing the reasons for the delay in filing a notice of loss at the county office. In these cases, the adjuster shall submit a statement, in triplicate, showing (a) the portion of the acreage on which the stubble was still standing at the time of inspection, (b) whether the adjuster was able to accurately determine the actual acreage, (c) the method used in determining the actual production, (d) whether the adjuster is entirely satisfied that all production was accounted for, (e) whether the adjuster feels certain that he is able to ascertain the extent of any uninsurable cause of loss and the method of making per acre appraisals for such causes, (f) in what respect the evidence with regard to acreage and production is or is not as satisfactory as it would have been if the notice had been submitted within 15 days, and (g) any other facts which the adjuster considers pertinent to the case.
- (3) Where it is evident when the adjuster receives Form 8 that it will not be possible for the insured to submit the Statement in Proof of Loss within the 60-day period after the time of loss, he should act under existing instructions from the state director in such cases or request instructions from the state director as to whether he should make an inspection.

Where it is not evident at the time the adjuster receives the Form 8 that it is too late for the insured to file a Statement in Proof of Loss within the 60-day period after the time of loss, but he finds upon inspection that the notice was given too late to permit the inspection to be made and the Statement in Proof of Loss to be filed within this period, the adjuster shall make the inspection, prepare the inspection report and obtain from the insured a written statement as to the reasons for the delay in filing the notice of loss, and submit the case to the state director for consideration without preparing a Statement in Proof of Loss. However, if the insured insists upon filing a Statement in Proof of Loss in cases of this kind, he should be permitted to do so but he should be informed of the 15-day provision for reporting loss to the county office and the 60-day provision for filing Statements in Proof of Loss, but the adjuster should not sign these Statements in Proof of Loss indicating his approval.

C. Delayed Forms 867

The Regulations provide that the Statement in Proof of Loss shall be submitted not later than 60 days after the time of loss, unless the time for submitting the claim is extended in writing by the Corporation. This 60-day period will not be extended except in the most meritorious cases. Where a Statement in Proof of Loss is submitted more than 60 days after the time of loss as set forth in Section IV, A, 1, b, hereof the adjuster shall request the insured to submit along with the Statement in Proof of Loss a statement showing the reasons for the delay in order that a determination may be made as to whether the extension is to be granted.

In these cases, the adjuster shall submit a statement, in triplicate, showing (a) the portion of the acreage on which the stubble was still standing at the time of inspection, (b) whether the adjuster was able to accurately determine the actual acreage, (c) the method used in determining the actual production and per acre appraisals, (d) whether the adjuster is entirely satisfied that all production was accounted for, (e) whether the adjuster feels certain that he is able to ascertain the extent of any uninsurable cause of loss and the method of making per acre appraisals for such causes, (f) in what respect the evidence with regard to acreage and production is or is not as satisfactory as it would have been if the notice had been submitted within 60 days, and (g) any other facts which the adjuster considers pertinent to the case.

SECTION VI SETTLEMENT OF LOSS CLAIMS

The adjuster shall advise the insured that any claim for indemnity submitted in accordance with the Regulations and applicable procedures will be paid by the issuance of a check by the Corporation payable to and mailed to the person(s) entitled to such payment under the Regulations.

SECTION VII DISTRIBUTION OF FORMS

A. The following distribution shall be made of the forms used in this procedure:

1. Form 8-Rev.

The state director's copy shall be forwarded to the director.

The adjuster's copy shall be forwarded to the other Corporation representative designated by the director.

The county office copy shall be retained in the county office and filed in a temporary file until the county office copy of Form 863 or a copy of the letter to the insured from the adjuster is received from the adjuster, after which it shall be filed in the insured's folder.

2. Form 863

The state office copy shall be forwarded to the director.

The insured's copy shall be given to the insured at the completion of the inspection.

The county office copy shall be filed in the insured's crop insurance folder on file in the county office.

3. Form 867

The adjuster shall forward all copies of Form 867, including the insured's copy, to the director.

After a review thereof has been made by the Corporation, the insured's copy will be mailed to him, the state office copy will be filed in the related folder, and the county office copy will be forwarded to the county office for filing in the insured's crop insurance folder after any necessary corrections in the premium, as are indicated at the bottom of Form 867, are made on county office records of the insured's premium account.

4. Form FCI-15 "Transmittal Sheet"

Form FCI-15 will be prepared by the Director. The branch office copy shall be forwarded to the branch office together with Forms 867 and attachments. The county office copy shall be forwarded to the county office. The state office copy shall be retained and filed in the state office.

